

HEALTH QUARTERLY STATEMENT

AS OF June 30, 2004

OF THE CONDITION AND AFFAIRS OF THE

CARE CHOICES HMO

NAIC Group Code	0000	0000	NAIC Company Code	95452	Employer's ID Number	38-2694901
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan	State of Domicile or Port of Entry	Michigan			
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]	Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[X] No[]	Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]			
Date Incorporated or Organized	07/08/1986	Date Commenced Business	01/01/1987			
Statutory Home Office	34605 Twelve Mile Road	Farmington Hills, MI 48331				
	(Street and Number)	(City, or Town, State and Zip Code)				
Main Administrative Office	34605 Twelve Mile Road					
	(Street and Number)					
	Farmington Hills, MI 48331	(248)489-6292				
	(City or Town, State and Zip Code)	(Area Code) (Telephone Number)				
Mail Address	34605 Twelve Mile Road	Farmington Hills, MI 48331				
	(Street and Number or P.O. Box)	(City, or Town, State and Zip Code)				
Primary Location of Books and Records	34605 Twelve Mile Road					
	(Street and Number)					
	Farmington Hills, MI 48331	(248)489-6292				
	(City, or Town, State and Zip Code)	(Area Code) (Telephone Number)				
Internet Website Address	www.carechoices.com					
Statutory Statement Contact	Donna J. West	(248)489-6292				
	(Name)	(Area Code)(Telephone Number)(Extension)				
	WESTD@trinity-health.org	(248)489-6191				
	(E-Mail Address)	(Fax Number)				
Policyowner Relations Contact						
		(Street and Number)				
		(City, or Town, State and Zip Code)				
		(Area Code) (Telephone Number)(Extension)				

OFFICERS

William R. Alvin, President (and CEO)
Jeanne Dunk, Secretary
Michael R. Koziara, Treasurer (CFO)
Gilbert Burgos MD, Chief Medical Officer

OTHERS

DIRECTORS OR TRUSTEES

James H. Peppiatt-Combes
William R. Alvin
Mary Ellen Howard RSM
Kevin McDonald #
Garry Faja

Jay Herron
Howard B. Weinblatt MD
Ronald Collins #
Paul Hughes-Cromwick
Diane Dabrowski #

Paul Harkaway MD
Molly Resnik
Michael Slubowski
AkkeNeel Talsma

State of Michigan
County of Oakland ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manuals except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
William R. Alvin	Jeanne Dunk	Michael R. Koziara
(Printed Name)	(Printed Name)	(Printed Name)
President (and Chief Executive Officer)	Secretary	Treasurer (Chief Financial Officer)
(Title)	(Title)	(Title)
Subscribed and sworn to before me this	a. Is this an original filing?	Yes[X] No[]
day of , 2004	b. If no,	
	1. State the amendment number	
	2. Date filed	
	3. Number of pages attached	
(Notary Public Signature)		

ASSETS

		Current Statement Date			4
		1	2	3	December 31, Prior Year Net Admitted Assets
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
1.	Bonds				5,047,952
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks				
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$..... encumbrances)				
4.2	Properties held for the production of income (less \$..... encumbrances)				
4.3	Properties held for sale (less \$..... encumbrances)				
5.	Cash (\$.....60,416,113), cash equivalents (\$.....) and short-term investments \$.....1,005,171)	61,421,284		61,421,284	48,734,938
6.	Contract loans (including \$..... premium notes)				
7.	Other invested assets				
8.	Receivable for securities				
9.	Aggregate write-ins for invested assets				
10.	Subtotals, cash and invested assets (Lines 1 to 9)	61,421,284		61,421,284	53,782,890
11.	Investment income due and accrued	459,567		459,567	1,104,979
12.	Premiums and considerations:				
12.1	Uncollected premiums and agents' balances in the course of collection	961,679	6,749	954,930	1,004,590
12.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums)				
12.3	Accrued retrospective premiums				
13.	Reinsurance:				
13.1	Amounts recoverable from reinsurers	214,640		214,640	21,783
13.2	Funds held by or deposited with reinsured companies				
13.3	Other amounts receivable under reinsurance contracts				
14.	Amounts receivable relating to uninsured plans				
15.1	Current federal and foreign income tax recoverable and interest thereon ...				
15.2	Net deferred tax asset				
16.	Guaranty funds receivable or on deposit				
17.	Electronic data processing equipment and software				
18.	Furniture and equipment, including health care delivery assets (\$.....)				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Receivables from parent, subsidiaries and affiliates	51,198		51,198	30,038
21.	Health care (\$.....) and other amounts receivable	2,125,182		2,125,182	1,629,109
22.	Other assets nonadmitted				
23.	Aggregate write-ins for other than invested assets				
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	65,233,550	6,749	65,226,801	57,573,389
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26.	TOTALS (Lines 24 and 25)	65,233,550	6,749	65,226,801	57,573,389
DETAILS OF WRITE-INS					
0901	.....			
0902	.....			
0903	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.	State of Michigan - Psycotropic drug refund				
2302.	A/P Claims				
2303	.....			
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$..... reinsurance ceded)	24,646,469		24,646,469	24,086,181
2.	Accrued medical incentive pool and bonus amounts	2,937,142		2,937,142	365,593
3.	Unpaid claims adjustment expenses	457,267		457,267	422,741
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	3,004,040		3,004,040	1,883,897
9.	General expenses due or accrued	540,597		540,597	401,918
10.1	Current federal and foreign income tax payable and interest thereon (including \$..... on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
15.	Amounts due to parent, subsidiaries and affiliates	158,058		158,058	5,452
16.	Payable for securities				
17.	Funds held under reinsurance treaties with (\$..... authorized reinsurers and \$..... unauthorized reinsurers)				
18.	Reinsurance in unauthorized companies				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Liability for amounts held under uninsured accident and health plans				
21.	Aggregate write-ins for other liabilities (including \$..... current)				
22.	Total liabilities (Lines 1 to 21)	31,743,572		31,743,572	27,165,782
23.	Common capital stock	X X X	X X X		
24.	Preferred capital stock	X X X	X X X		
25.	Gross paid in and contributed surplus	X X X	X X X	16,500,000	16,500,000
26.	Surplus notes	X X X	X X X		
27.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
28.	Unassigned funds (surplus)	X X X	X X X	16,983,229	13,907,607
29.	Less treasury stock, at cost:				
	29.1 shares common (value included in Line 23 \$.....)	X X X	X X X		
	29.2 shares preferred (value included in Line 24 \$.....)	X X X	X X X		
30.	Total capital and surplus (Lines 23 to 28 minus Line 29)	X X X	X X X	33,483,229	30,407,607
31.	Total liabilities, capital and surplus (Lines 22 and 30)	X X X	X X X	65,226,801	57,573,389
DETAILS OF WRITE-INS					
2101.	.....			
2102.	.....			
2103	.....			
2198.	Summary of remaining write-ins for Line 21 from overflow page				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)				
2701	.....	X X X	X X X		
2702	.....	X X X	X X X		
2703	.....	X X X	X X X		
2798.	Summary of remaining write-ins for Line 27 from overflow page	X X X	X X X		
2799.	TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date
		1	2	3
		Uncovered	Total	Total
1.	Member Months	X X X	620,327	610,305
2.	Net premium income (including \$..... non-health premium income)	X X X	139,152,483	126,628,775
3.	Change in unearned premium reserves and reserves for rate credits	X X X		
4.	Fee-for-service (net of \$..... medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	Total revenues (Lines 2 to 7)	X X X	139,152,483	126,628,775
Hospital and Medical:				
9.	Hospital/medical benefits		90,217,117	82,640,140
10.	Other professional services			
11.	Outside referrals			
12.	Emergency room and out-of-area		5,031,032	4,389,465
13.	Prescription drugs		23,190,004	21,304,724
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts		3,560,595	214,740
16.	Subtotal (Lines 9 to 15)		121,998,748	108,549,069
Less:				
17.	Net reinsurance recoveries		(35,039)	94,124
18.	Total hospital and medical (Lines 16 minus 17)		122,033,787	108,454,945
19.	Non-health claims			
20.	Claims adjustment expenses, including \$.....340,351 cost containment expenses		998,321	1,329,619
21.	General administrative expenses		14,490,710	14,924,896
22.	Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only)			
23.	Total underwriting deductions (Lines 18 through 22)		137,522,818	124,709,460
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	1,629,665	1,919,315
25.	Net investment income earned		175,689	172,249
26.	Net realized capital gains (losses)		8,668	104,675
27.	Net investment gains or (losses) (Lines 25 plus 26)		184,357	276,924
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)]			
29.	Aggregate write-ins for other income or expenses		1,268,348	737,071
30.	Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	3,082,371	2,933,310
31.	Federal and foreign income taxes incurred	X X X		
32.	Net income (loss) (Lines 30 minus 31)	X X X	3,082,371	2,933,310
DETAILS OF WRITE-INS				
0601	.....	X X X		
0602	.....	X X X		
0603	.....	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701	.....	X X X		
0702	.....	X X X		
0703	.....	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401	.....		
1402	.....		
1403	.....		
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901.	Supplemental Interest Income		1,268,348	737,071
2902	.....		
2903	.....		
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		1,268,348	737,071

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year To Date	Prior Year
CAPITAL & SURPLUS ACCOUNT			
33.	Capital and surplus prior reporting year	30,407,607	23,205,085
GAINS AND LOSSES TO CAPITAL & SURPLUS			
34.	Net income or (loss) from Line 32	3,082,371	7,196,001
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Net unrealized capital gains and losses		(15,496)
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax		
39.	Change in nonadmitted assets	(6,749)	22,017
40.	Change in unauthorized reinsurance		
41.	Change in treasury stock		
42.	Change in surplus notes		
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
44.1	Paid in		
44.2	Transferred from surplus (Stock Dividend)		
44.3	Transferred to surplus		
45.	Surplus adjustments:		
45.1	Paid in		
45.2	Transferred to capital (Stock Dividend)		
45.3	Transferred from capital		
46.	Dividends to stockholders		
47.	Aggregate write-ins for gains or (losses) in surplus		
48.	Net change in capital and surplus (Lines 34 to 47)	3,075,622	7,202,522
49.	Capital and surplus end of reporting period (Line 33 plus 48)	33,483,229	30,407,607
DETAILS OF WRITE-INS			
4701	.....	
4702	.....	
4703	.....	
4798.	Summary of remaining write-ins for Line 47 from overflow page		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)		

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance	140,322,285	255,099,041
2.	Net investment income	829,769	416,137
3.	Miscellaneous income		1,762,703
4.	Total (Lines 1 through 3)	141,152,054	257,277,881
5.	Benefit and loss related payments	119,094,807	222,962,151
6.	Net transfers to Separate, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	14,047,477	31,622,356
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) \$..... net of tax on capital gains (losses)		
10.	Total (Lines 5 through 9)	133,142,285	254,584,507
11.	Net cash from operations (Line 4 minus Line 10)	8,009,769	2,693,375
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	13,653,229	38,390,484
12.2	Stocks		
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		
12.8	Total investment proceeds (Lines 12.1 to 12.7)	13,653,229	38,390,484
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	8,596,609	40,789,790
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications	8,668	
13.7	Total investments acquired (Lines 13.1 to 13.6)	8,605,277	40,789,790
14.	Net increase (or decrease) in policy loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	5,047,952	(2,399,306)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	(371,375)	(148,401)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(371,375)	(148,401)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS			
18.	Net change in cash and short-term investments (Lines 11 plus 15 plus 17)	12,686,346	145,668
19.	Cash and short-term investments:		
19.1	Beginning of year	48,734,938	48,589,270
19.2	End of period (Line 18 plus Line 19.1)	61,421,284	48,734,938
Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:			
Description		Amount 1	Amount 2
20.0001	.....	

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	102,251		102,251										
2. First Quarter	103,212		103,212										
3. Second Quarter	104,532		104,532										
4. Third Quarter													
5. Current Year													
6. Current Year Member Months	620,327		620,327										
Total Member Ambulatory Encounters for Period:													
7. Physician	177,796		177,796										
8. Non-Physician	321,154		321,154										
9. Total	498,950		498,950										
10. Hospital Patient Days Incurred	19,815		19,815										
11. Number of Inpatient Admissions	4,245		4,245										
12. Health Premiums Written	139,623,931		139,623,931										
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned	138,454,128		138,454,128										
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services ...	117,877,866		117,877,866										
18. Amount Incurred for Provision of Health Care Services	121,998,748		121,998,748										

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Individually Listed Claims Unpaid						
REGENTS OF THE UNIVERSITY OF MICHIGAN	132,271					132,271
CHELSEA COMMUNITY HOSPITAL	80,318					80,318
ST JOSEPH MERCY HOSPITAL	70,707					70,707
IHA OF ANN ARBOR	47,265					47,265
REGENTS OF U/M HEALTH SYSTEM	43,022					43,022
PROVIDENCE HOSPITAL	40,868					40,868
HURON VALLEY RAD ASSOC.	38,510					38,510
EPMG OF MICHIGAN	37,732					37,732
OAKWOOD HOSPITAL & MEDICAL CENTER	35,022					35,022
HURON VALLEY-SINAI HOSPITAL	31,074					31,074
IHA OF ANN ARBOR, PC	29,789					29,789
ST JOHN HOSPITAL & MEDICAL CENTER	29,203					29,203
ANES ASSOC. OF ANN ARBOR	25,997					25,997
ST MARY'S MEDICAL CENTER	25,340					25,340
ST JOSEPH MERCY OAKLAND	22,194					22,194
CLEVELAND CLINIC FOUNDATION	22,107					22,107
CHARLES LELAND MD	20,606					20,606
OAKWOOD AMBULATORY LLC	19,702					19,702
RADIATION ONCOLOGY SPECI	19,020					19,020
GENZYME CORPORATION	17,760					17,760
BON SECOURS COTTAGE HOSPITAL	17,496					17,496
MERCY MOUNT CLEMENS CORP	16,863					16,863
ANNAPOLIS HOSPITAL	16,357					16,357
GULF COAST HOSPITAL	15,734					15,734
GARDEN CITY HOSPITAL	14,802					14,802
SPECTRUM HEALTH-BUTTERWORTH	14,467					14,467
SINAI-GRACE HOSPITAL	14,461					14,461
HARPER-HUTZEL HOSPITAL	14,005					14,005
MARLO LEONEN, MD	13,860					13,860
MITCHELL HOME MEDICAL	13,365					13,365
MICHIGAN PAIN SPECIALIST	13,226					13,226
DOWNRIVER CANCER CENTER	12,162					12,162
GEORGE DODDS MD	11,359					11,359
OAKWOOD SOUTHSORE MEDICAL	10,799					10,799
HERITAGE HOSPITAL	10,050					10,050
0199999 Individually Listed Claims Unpaid	997,513					997,513
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	5,831,166	337,543	189,897	209,792	99,074	6,667,472
0499999 Subtotals	6,828,679	337,543	189,897	209,792	99,074	7,664,985
0599999 Unreported claims and other claim reserves						15,355,583
0699999 Total Amounts Withheld						1,625,901
0799999 Total Claims Unpaid						24,646,469
0899999 Accrued Medical Incentive Pool And Bonus Amounts						2,937,142

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1+3)	6 Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)	18,850,871	99,062,034	2,674,966	21,971,503	21,525,837	24,013,561
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						1,794
7.	Title XIX - Medicaid						70,826
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	18,850,871	99,062,034	2,674,966	21,971,503	21,525,837	24,086,181
10.	Other non-health						
11.	Medical incentive pools, and bonus amounts		989,046		2,937,142		365,593
12.	TOTALS	18,850,871	100,051,080	2,674,966	24,908,645	21,525,837	24,451,774

Notes to Financial Statement

2A Accounting Changes and Corrections of Errors

The accompanying financial statements have been prepared in conformity with the NAIC Annual Statement Instructions and Accounting Policies and Procedures except for the following item, which caused surplus to be increased by \$ 1,268,348. The Company received approval from the Office Of Financial and Insurance Services of the State of Michigan ("OFIS") to record as other income a contribution of investment income allocated to the Company from Trinity Health of \$ 1,268,348 as a permitted practice. This permitted practice has been granted to the Company for a duration of three years, and will expire on June 18, 2007.

GENERAL INTERROGATORIES
(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)
PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes[] No[X]
- 1.2 If yes, explain:
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 2.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 3.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4. Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y - Part 1 - organization chart

Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes[] No[X] N/A[]
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2002
- 7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2002
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

02/18/2004
- 7.4 By what department or departments?
State of Michigan: Office of Financial and Insurance Services, Department of Consumer & Industry Services
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes[] No[X]
- 8.2 If yes, give full information
- 9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 9.2 If response to 9.1 is yes, please identify the name of the bank holding company.
- 9.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 9.4 If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
..... Yes[] No[X]	. Yes[] No[X]	. Yes[] No[X]	. Yes[] No[X]	. Yes[] No[X]

INVESTMENT

- 10.1 Has there been any changes in the reporting entity's own preferred or common stock?

Yes[] No[X]
- 10.2 If yes, explain:
- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$
13. Amount of real estate and mortgages held in short-term investments:

\$
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[] No[X]
- 14.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

		1	2
		Prior Year-End Statement Value	Current Quarter Statement Value
14.21	Bonds .....	.....	.....
14.22	Preferred Stock .....	.....	.....
14.23	Common Stock .....	.....	.....
14.24	Short-Term Investments .....	.....	.....
14.25	Mortgages, Loans or Real Estate .....	.....	.....
14.26	All Other .....	.....	.....
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	.....	.....
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above .....	.....	.....
14.29	Receivable from Parent not included in Lines 14.21 to 14.26 above .....	.....	.....

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes[] No[X]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[] No[] N/A[X]
16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV, H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian Address
Comerica Bank	P.O. Box 75000, Detroit, MI 48275
The Northern Trust Company	50 LaSalle St., Chicago, IL 60675

- 16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes[] No[X]
- 16.4 If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....

- 16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
.....

SCHEDULE A - VERIFICATION

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Increase (decrease) by adjustment		
3.	Cost of acquired		
4.	Cost of additions to and permanent improvements		
5.	Total profit (loss) on sales		
6.	Increase (decrease) by foreign exchange adjustment		
7.	Amount received on sales		
8.	Book/adjusted carrying value at end of current period		
9.	Total valuation allowance		
10.	Subtotal (Lines 8 plus 9)		
11.	Total nonadmitted amounts		
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)		

SCHEDULE B - VERIFICATION

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year ..		
2.	Amount loaned during period:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		
3.	Accrual of discount and mortgage interest points and commitment fees		
4.	Increase (decrease) by adjustment		
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the period		
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period		
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		
12.	Total nonadmitted amounts		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)		

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

		1	2
Description		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year		
2.	Cost of acquisitions during period:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		
3.	Accrual of discount		
4.	Increase (decrease) by adjustment		
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the period		
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book/adjusted carrying value of long-term invested assets at end of current period		
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		
12.	Total nonadmitted amounts		
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)		

SCHEDULE D - VERIFICATION

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	5,047,952	2,648,646
2.	Cost of bonds and stocks acquired	8,596,609	40,706,718
3.	Accrual of discount		
4.	Increase (decrease) by adjustment		
5.	Increase (decrease) by foreign exchange adjustment		
6.	Total profit (loss) on disposal	8,668	83,072
7.	Consideration for bonds and stocks disposed of	13,653,229	38,390,484
8.	Amortization of premium		
9.	Book/adjusted carrying value, current period		5,047,952
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		5,047,952
12.	Total nonadmitted amounts		
13.	Statement value		5,047,952

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1	5,760,136	1,532,546	6,287,511		5,760,136	1,005,171		6,050,153
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. TOTAL Bonds	5,760,136	1,532,546	6,287,511		5,760,136	1,005,171		6,050,153
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. TOTAL Preferred Stock								
15. TOTAL Bonds & Preferred Stock	5,760,136	1,532,546	6,287,511		5,760,136	1,005,171		6,050,153

SCHEDULE DA - PART 1
Short - Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
8299999. TOTALS	1,005,171	X X X	1,005,171	2,972	526

SCHEDULE DA - PART 2 - Verification
Short-Term Investments Owned

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,002,200	1,022,029
2. Cost of short-term investments acquired	2,971	
3. Increase (decrease) by adjustment		
4. Increase (decrease) by foreign exchange adjustment		
5. Total profit (loss) on disposal of short-term investments		
6. Consideration received on disposal of short-term investments		19,829
7. Book/adjusted carrying value, current period	1,005,171	1,002,200
8. Total valuation allowance		
9. Subtotals (Lines 7 plus 8)	1,005,171	1,002,200
10. Total nonadmitted amounts		
11. Statement value (Lines 9 minus 10)	1,005,171	1,002,200
12. Income collected during period	1,536	7,170
13. Income earned during period	2,062	7,703

15 Schedule DB Part F Section 1 -..... NONE

16 Schedule DB Part F Section 2 -..... NONE

17 Schedule S Ceded Reinsurance -..... NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.		1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed (Yes or No)	Direct Business Only Year-to-Date					
				3 Accident and Health Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums and Deposit-Type Contract Funds	8 Property/ Casualty Premiums
1.	Alabama (AL)	No ..	No ..						
2.	Alaska (AK)	No ..	No ..						
3.	Arizona (AZ)	No ..	No ..						
4.	Arkansas (AR)	No ..	No ..						
5.	California (CA)	No ..	No ..						
6.	Colorado (CO)	No ..	No ..						
7.	Connecticut (CT)	No ..	No ..						
8.	Delaware (DE)	No ..	No ..						
9.	District of Columbia (DC)	No ..	No ..						
10.	Florida (FL)	No ..	No ..						
11.	Georgia (GA)	No ..	No ..						
12.	Hawaii (HI)	No ..	No ..						
13.	Idaho (ID)	No ..	No ..						
14.	Illinois (IL)	No ..	No ..						
15.	Indiana (IN)	No ..	No ..						
16.	Iowa (IA)	No ..	No ..						
17.	Kansas (KS)	No ..	No ..						
18.	Kentucky (KY)	No ..	No ..						
19.	Louisiana (LA)	No ..	No ..						
20.	Maine (ME)	No ..	No ..						
21.	Maryland (MD)	No ..	No ..						
22.	Massachusetts (MA)	No ..	No ..						
23.	Michigan (MI)	No ..	Yes ..	139,623,931					
24.	Minnesota (MN)	No ..	No ..						
25.	Mississippi (MS)	No ..	No ..						
26.	Missouri (MO)	No ..	No ..						
27.	Montana (MT)	No ..	No ..						
28.	Nebraska (NE)	No ..	No ..						
29.	Nevada (NV)	No ..	No ..						
30.	New Hampshire (NH)	No ..	No ..						
31.	New Jersey (NJ)	No ..	No ..						
32.	New Mexico (NM)	No ..	No ..						
33.	New York (NY)	No ..	No ..						
34.	North Carolina (NC)	No ..	No ..						
35.	North Dakota (ND)	No ..	No ..						
36.	Ohio (OH)	No ..	No ..						
37.	Oklahoma (OK)	No ..	No ..						
38.	Oregon (OR)	No ..	No ..						
39.	Pennsylvania (PA)	No ..	No ..						
40.	Rhode Island (RI)	No ..	No ..						
41.	South Carolina (SC)	No ..	No ..						
42.	South Dakota (SD)	No ..	No ..						
43.	Tennessee (TN)	No ..	No ..						
44.	Texas (TX)	No ..	No ..						
45.	Utah (UT)	No ..	No ..						
46.	Vermont (VT)	No ..	No ..						
47.	Virginia (VA)	No ..	No ..						
48.	Washington (WA)	No ..	No ..						
49.	West Virginia (WV)	No ..	No ..						
50.	Wisconsin (WI)	No ..	No ..						
51.	Wyoming (WY)	No ..	No ..						
52.	American Samoa (AS)	No ..	No ..						
53.	Guam (GU)	No ..	No ..						
54.	Puerto Rico (PR)	No ..	No ..						
55.	U.S. Virgin Islands (VI)	No ..	No ..						
56.	Canada (CN)	No ..	No ..						
57.	Aggregate other alien (OT)	X X X ..	X X X ..						
58.	TOTAL (Direct Business)	X X X ..	(a).....1	139,623,931					
DETAILS OF WRITE-INS									
5701	.....	X X X ..	X X X ..						
5702	.....	X X X ..	X X X ..						
5703	.....	X X X ..	X X X ..						
5798.	Summary of remaining write-ins for Line 57 from overflow page	X X X ..	X X X ..						
5799.	TOTALS (Lines 5701 through 5703 plus 5798) (Line 57 above)	X X X ..	X X X ..						

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

See attached

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

RESPONSES

1. Will the SVO Compliance Certification be filed with this statement?

No

Explanation:

Bar Code:

SVO Compliance Certification



OVERFLOW PAGE FOR WRITE-INS

E01 Schedule A Part 2 -NONE

E01 Schedule A Part 3 -NONE

E02 Schedule B Part 1 -NONE

E02 Schedule B Part 2 -NONE

E03 Schedule BA Part 1 -NONE

E03 Schedule BA Part 2 -NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
02R052651	FHLMC GOLD TBA POOL		04/12/2004	GOLDMAN SACHS	X X X ..	318,633	315,000.00		1
01F060659	FNMA 30 YR PASS THROUGH		04/12/2004	J P MORGAN SECURITIES	X X X ..	77,445	75,000.00		1
01F052656	FNMA 30 YR PASS THROUGH		04/08/2004	UBS WARBURG LLC	X X X ..	126,836	125,000.00		1
01F062648	FNMA 30 YR PASS THROUGH		03/17/2004	J P MORGAN SECURITIES	X X X ..	52,531	50,000.00		1
01F060642	FNMA 30 YR SINGLE FAMILY		03/09/2004	PXP SECURITIES	X X X ..	36,427	35,000.00		1
31385W2E8	FNMA POOL # 555273		03/11/2004	CREDIT SUISSE FIRST BOSTON	X X X ..	52,547	50,000.00		1
31402CQJ4	FNMA POOL # 725057		03/04/2004	CITIBANK GLOBAL MARKETS	X X X ..	36,334	34,999.00		1
01F042442	FNMA SINGLE FAMILY MTG		04/06/2004	CHASE BANK	X X X ..	110,172	110,000.00		1
01F042657	FNMA SINGLE FAMILY MTG 30 YR		04/12/2004	MORGAN STANLEY & CO	X X X ..	76,175	80,000.00		1
01F050650	FNMA SINGLE FAMILY MTG 30 YR		04/12/2004	J P MORGAN SECURITIES	X X X ..	211,673	215,000.00		1
912828BR0	US TREAS NOTES		04/07/2004	GREENWICH CAPITAL MARKETS	X X X ..	25,165	25,000.00		1
912828BZ2	US TREAS NOTES		04/01/2004	MORGAN STANLEY DEAN WITTER	X X X ..	25,216	25,000.00		1
912828CB4	US TREAS NOTES		04/01/2004	CHASE MANHATTAN BANK	X X X ..	105,090	105,000.00		1
912828CE8	US TREAS NOTES		04/07/2004	LEHMAN BROTHERS	X X X ..	184,783	185,000.00		1
0399999 Subtotal - Bonds - U.S. Governments					X X X ..	1,439,027	1,429,999.00		X X X ..
Bonds - Industrial and Miscellaneous									
025816AQ2	AMERN EXPRESS CO		04/12/2004	BANC AMERICA SECUR MONTGOMERY	X X X ..	15,149	15,000.00		1
125581AD0	CITIGROUP INC		04/12/2004	CHASE SECURITIES	X X X ..	16,096	15,000.00		1
05947URB6	CMO BANC AMER		04/01/2004	BANC AMERICA SECURITIES	X X X ..	20,101	20,000.00		1
22237LND0	COUNTRYWIDE HOMES LNS		04/12/2004	CHASE SECURITIES	X X X ..	5,149	5,000.00		1
36962GYY4	GENERAL ELECTRIC CO		04/12/2004	HSBC SECURITIES INC	X X X ..	10,896	10,000.00		1
441812GD0	HSEHD FIN CORP NT		04/12/2004	WACHOVIA CAPITAL MARKETS	X X X ..	5,565	5,000.00		1
617446HD4	MORGAN STANLEY		04/12/2004	GOLDMAN SACHS	X X X ..	5,873	5,000.00		1
64952GAE8	PVTPL NY LIFE INS CO		04/12/2004	WACHOVIA CAPITAL MARKETS	X X X ..	9,939	10,000.00		1
78442FAZ1	SLM CORP MEDIUM TERM NTS		04/12/2004	LEHMAN BROTHERS	X X X ..	4,750	5,000.00		1
4599999 Subtotal - Bonds - Industrial and Miscellaneous					X X X ..	93,518	90,000.00		X X X ..
6099997 Subtotal - Bonds - Part 3					X X X ..	1,532,545	1,519,999.00		X X X ..
6099998 Summary Item for Bonds Bought and Sold This Quarter					X X X ..				X X X ..
6099999 Subtotal - Bonds					X X X ..	1,532,545	1,519,999.00		X X X ..
6599998 Summary Item for Preferred Stock Bought and Sold This Quarter					X X X ..		X X X ..		X X X ..
7299998 Summary Item for Common Stock Bought and Sold This Quarter					X X X ..		X X X ..		X X X ..
7399999 Subtotal - Preferred and Common Stock					X X X ..		X X X ..		X X X ..
7499999 Total - Bonds, Preferred and Common Stock					X X X ..	1,532,545	X X X ..		X X X ..

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of
by the Company During the Current Quarter

E05

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
36291CL86	GNMA POOL #624151		04/15/2004	MERRILL LYNCH	X X X	402	402.00	421			421		421		421	(18)	(18)	(18)		11/15/2033	1
31371KP70	FNMA POOL # 254346		04/26/2004	MERRILL LYNCH	X X X	69,790	66,973.00	70,123			70,123		70,123		70,123	(333)	(333)	(333)	363	06/01/2032	1
31374TV49	FNMA POOL # 323835		04/26/2004	CHASE BANK	X X X	30,045	28,825.00	28,397			29,906		29,906		29,906	139	139	139	156	05/01/2029	1
31385HX98	FNMA POOL # 545304		04/26/2004	SALOMAN BROTHERS	X X X	31,450	29,547.00	29,128	36,881	(5,522)			(5,522)		31,359	92	92	92	185	11/01/2031	1
31388J571	FNMA POOL # 606342		04/26/2004	GOLDMAN SACHS	X X X	93,461	90,265.00	94,509			94,509		94,509		94,509	(1,047)	(1,047)	(1,047)	489	10/01/2031	1
31391LSL5	FNMA POOL # 670551		04/26/2004	CHASE BANK	X X X	78,964	75,828.00	79,370			79,370		79,370		79,370	(406)	(406)	(406)	411	08/01/2032	1
31401BYH2	FNMA POOL # 703712		04/26/2004	GOLDMAN SACHS	X X X	61,573	59,660.00	59,166	64,740		(3,366)		(3,366)		61,374	199	199	199	273	02/01/2018	1
912810EZ7	US TREAS BDS		04/14/2004	CITIGROUP GLOBAL																	
	MARKETS				X X X	5,898	5,000.00	6,329	31,574		(25,268)		(25,268)		6,306	(408)	(408)	(408)		02/15/2027	1
912810FP8	US TREAS BDS		04/14/2004	LEHMAN BROTHERS	X X X	36,354	35,000.00	37,366	5,228		32,129		32,129		37,357	(1,003)	(1,003)	(1,003)		02/15/2031	1
912810DY1	US TREAS BDS		04/14/2004	CHASE MANHATTAN	X X X	117,506	85,000.00	123,709	94,492		27,968		27,968		122,460	(4,954)	(4,954)	(4,954)		05/15/2017	1
912828BR0	US TREAS NOTES		04/14/2004	LEHMAN BROTHERS	X X X	44,853	45,000.00	45,532			45,532		45,532		45,532	(679)	(679)	(679)		11/15/2013	1
912828BZ2	US TREAS NOTES		04/07/2004	LEHMAN BROTHERS	X X X	159,344	160,000.00	160,340			160,340		160,340		160,340	(996)	(996)	(996)		02/15/2009	1
912828CB4	US TREAS NOTES		04/14/2004	CHASE MANHATTAN BANK	X X X	426,607	430,000.00	429,711			429,711		429,711		429,711	(3,104)	(3,104)	(3,104)		02/29/2006	1
912828CE8	US TREAS NOTES		04/14/2004	LEHMAN BROTHERS	X X X	182,499	185,000.00	184,783			184,783		184,783		184,783	(2,284)	(2,284)	(2,284)		04/15/2009	1
912828CC2	US TREAS NOTES		04/07/2004	UBS SECURITIES	X X X	117,231	120,000.00	118,969			118,969		118,969		118,969	(1,738)	(1,738)	(1,738)		03/15/2009	1
912810EH7	US TREAS NOTES		04/14/2004	CHASE MANHATTAN BANK	X X X	59,112	45,000.00	63,176	62,851		(200)		(200)		62,651	(3,539)	(3,539)	(3,539)		02/15/2021	1
3134A4UH5	FHLMC DEB		04/14/2004	LEHMAN BROTHERS	X X X	80,152	80,000.00	80,002	165,005		(85,003)		(85,003)		80,002	150	150	150		11/15/2005	1
3134A4UN2	FHLMC FREDDIE MAC		04/14/2004	LEHMAN BROTHERS	X X X	123,616	125,000.00	124,553			124,553		124,553		124,553	(937)	(937)	(937)		02/15/2007	1
3128X2TM7	FHLMC		04/14/2004	CITIGROUP GLOBAL																	
	MARKETS				X X X	128,140	130,000.00	130,924			130,025		130,025		130,025	(1,885)	(1,885)	(1,885)		01/30/2014	1
31359MTP8	FNMA PREASSIGN		04/14/2004	CHASE SECURITIES	X X X	49,822	50,000.00	49,590							49,590	232	232	232		01/02/2014	1
31359MTQ6	FNMA PREASSIGN		04/14/2004	CITIGROUP GLOBAL																	
	MARKETS				X X X	34,990	35,000.00	35,007	35,006						35,006	(16)	(16)	(16)		11/17/2008	1
31359MTT0	FNMA PREASSIGN		04/14/2004	CITIGROUP GLOBAL																	
	MARKETS				X X X	70,093	70,000.00	69,962	69,962						69,962	132	132	132		12/15/2008	1
31359MUT8	FNMA PREASSIGN		04/14/2004	LEHMAN BROTHERS	X X X	4,705	5,000.00	4,974			4,974		4,974		4,974	(269)	(269)	(269)		04/15/2014	1
02R052651	FHLMC GOLD		04/14/2004	GOLDMAN SACHS	X X X	316,673	315,000.00	318,633			318,633		318,633		318,633	(1,959)	(1,959)	(1,959)		05/01/2029	1
02R052644	FHLMC GOLD 30 YR		04/12/2004	GOLDMAN SACHS	X X X	319,715	315,000.00	323,247			323,247		323,247		323,247	(3,532)	(3,532)	(3,532)		04/01/2034	1
31385WZ68	FNMA POOL 555273		03/17/2004	J P MORGAN SECURITIES	X X X	52,531	50,000.00	52,547			52,547		52,547		52,547	(16)	(16)	(16)		12/01/2032	1
31402CQJ4	FNMA POOL 725057		03/09/2004	PXP SECURITIES	X X X	36,427	34,999.00	36,334			36,334		36,334		36,334	93	93	93		01/01/2034	1
31393TBB1	FNMA PREASSIGN		04/15/2004	GREENWHICH CAPITAL																	
	MARKETS				X X X	41,206	40,000.00	41,625	41,480		(273)		(273)		41,207	(1)	(1)	(1)		04/25/2014	1
01F042442	FNMA SINGLE FAMILY 15 YR		04/14/2004	MERRILL LYNCH	X X X	188,823	190,000.00	190,974			190,974		190,974		190,974	(2,150)	(2,150)	(2,150)		04/01/2019	1
01F042640	FNMA SINGLE FAMILY 30 YR		04/12/2004	MORGAN STANLEY	X X X	76,456	80,000.00	78,513			78,544		78,544		78,544	(2,087)	(2,087)	(2,087)		04/01/2033	1
01F042657	FNMA SINGLE FAMILY 30 YR		04/14/2004	MORGAN STANLEY	X X X	75,475	80,000.00	76,175			76,182		76,182		76,182	(707)	(707)	(707)		05/01/2033	1
01F050445	FNMA SINGLE FAMILY 15 YR		04/14/2004	GOLDMAN SACHS	X X X	141,947	140,000.00	143,281			143,143		143,143		143,143	(1,196)	(1,196)	(1,196)		04/01/2019	1
01F050643	FNMA SINGLE FAMILY 30 YR		04/12/2004	GOLDMAN SACHS	X X X	212,362	215,000.00	213,966			213,966		213,966		213,966	(1,604)	(1,604)	(1,604)		04/01/2033	1
01F050650	FNMA SINGLE FAMILY MTG																				
	30 YR				X X X	209,766	215,000.00	211,675			211,682		211,682		211,682	(1,916)	(1,916)	(1,916)		05/01/2033	1
01F052441	FNMA 15 YR PASS THROUGH		04/14/2004	LEHMAN BROTHERS																	
	CREDIT SUISSE FIRST				X X X	123,994	120,000.00	125,072			124,886		124,886		124,886	(892)	(892)	(892)		04/01/2019	1
01F052649	FNMA 30 YR SINGLE FAMILY																				
	MTG		04/08/2004	CHASE MANHATAN BANK	X X X	127,271	125,000.00	128,359			128,255		128,255		128,255	(985)	(985)	(985)		04/01/2033	1
01F060642	FNMA 30 YR SINGLE FAMILY																				
	MTG		04/12/2004	J P MORGAN SECURITIES	X X X	88,104	85,000.00	88,265			88,265		88,265		88,265	(161)	(161)	(161)		04/01/2033	1
01F052656	FNMA 30 YR PASS THROUGH		04/14/2004	UBS WARBURG LLC	X X X	125,625	125,000.00	126,836			126,836		126,836		126,836	(1,211)	(1,211)	(1,211)		05/01/2033	1
01F060659	FNMA 30 YR PASS THROUGH		04/22/2004	J P MORGAN SECURITIES	X X X	77,330	75,000.00	77,445			77,445		77,445		77,445	(115)	(115)	(115)		05/01/2033	1
01F062648	FNMA 30 YR PASS THROUGH		04/15/2004	J P MORGAN SECURITIES	X X X	52,547	50,000.00	52,531			52,531		52,531		52,531	16	16	16		04/01/2033	1
01N050644	GNMA SINGLE MAILY 30 YR		04/14/2004	CHASE MANHATTAN BANK	X X X	44,163	45,000.00	45,548			45,542		45,542		45,542	(1,378)	(1,378)	(1,378)		04/01/2033	1
01N052640	GNMA SINGLE FAMILY 30																				
	YEAR		04/14/2004	MARKETS	X X X	121,350	120,000.00	123,788			123,714		123,714		123,714	(2,364)	(2,364)	(2,364)		04/01/2033	1
01N062649	GNMA 30 YR PASS THROUGH		04/14/2004	J P MORGAN SECURITIES	X X X	52,484	50,000.00	52,781			52,714		52,714		52,714	(229)	(229)	(229)		04/01/2033	1
36291CL86	GNMA POOL 624151		04/14/2004	CHASE MANHATTAN BANK	X X X	50,595	48,899.00	51,115			51,115		51,115		51,115	(520)	(520)	(520)	745	11/15/2033	1
0399999 Subtotal - Bonds - U.S. Governments					X X X	4,541,451	4,475,398.00	4,585,045	656,809	(5,522)	3,935,758		3,930,236		4,587,045	(45,586)	(45,586)	(45,586)	2,622	X X X	X X X
Bonds - All Other Governments																					
465410BE7	ITALY REP OF ITALY		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	60,114	60,000.00	59,860	59,860						59,860	254	254	254		03/31/2006	1
1099999 Subtotal - Bonds - All Other Governments					X X X	60,114	60,000.00	59,860	59,860						59,860	254	254	254		X X X	X X X

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of
by the Company During the Current Quarter

E05.1

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - Industrial and Miscellaneous																					
867229AD8	SUNCOR ENERGY INC		04/14/2004	SCOTT & STRINGFELLOW																	
	INVEST				X X X	14,647	15,000.00	14,912	14,912						14,912		(264)	(264)		12/01/2034	1
25244SAA9	DIAGEO FIN NT		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	10,048	10,000.00	9,997	9,997						9,997		51	51		12/15/2006	1
25243YAF6	DIAGEO CAP		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	14,877	15,000.00	14,888	14,888						14,888		(11)	(11)		03/20/2008	1
780097AL5	ROYAL BK SOCTLAND																				
	GROUP		04/14/2004	JEFFERIES & CO	X X X	24,667	25,000.00	24,943	24,943						24,943		(276)	(276)		10/01/2014	1
025816AQ2	AMERN EXPRESS CO		04/14/2004	SCOTT & STRINGFELLOW																	
	INVEST				X X X	14,893	15,000.00	15,149	15,149		15,149		15,149		15,149		(256)	(256)		07/15/2013	1
026351BB1	AMERN GEN CORP		04/16/2004	BANC AMERICA SECUR	X X X	19,459	15,000.00	19,821	19,785		(22)		(22)		19,763		(303)	(303)		07/01/2030	1
02635PSA2	AMERN GEN FIN CORP		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	15,525	15,000.00	15,251	15,237		(16)		(16)		15,221		304	304		11/15/2007	1
02635PSH7	AMERN GEN FIN CORP		04/14/2004	MESIROW FINANCIAL	X X X	10,000	10,000.00	9,964	9,964						9,964		36	36		11/15/2006	1
035229CP6	ANHEUSER BUSCH		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	14,528	15,000.00	14,146	14,170		21		21		14,191		336	336		01/15/2013	1
035229CQ4	ANHEUSER BUSCH		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	25,131	25,000.00	25,976	25,970		(4)		(4)		25,966		(835)	(835)		01/15/2033	1
037411AQ8	APACHE CORP NT		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	38,710	35,000.00	38,980	38,796		(108)		(108)		38,688		22	22		04/15/2012	1
054937AE7	BB & T CORP		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	14,753	15,000.00	14,940	14,940						14,940		(188)	(188)		12/23/2015	1
079860AB8	BELL SOUTH CORP		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	37,590	35,000.00	38,111	37,958		(91)		(91)		37,867		(277)	(277)	1,050	10/15/2011	1
060505AQ7	BK AMER CORP		04/14/2004	DLJ FIXED INCOME	X X X	27,375	25,000.00	27,596	27,478		(71)		(71)		27,407		(32)	(32)	781	04/15/2012	1
06423AAG8	BK 1 CORP SUB NT		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	23,720	20,000.00	24,471	24,217		(163)		(163)		24,054		(334)	(334)		08/01/2010	1
097014AJ3	BOEING CAP CORP		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	5,151	5,000.00	4,992	4,992						4,992		159	159		08/25/2008	1
110122AF5	BRISTOL MYERS SQUIBB		04/14/2004	JEFFERIES & CO	X X X	10,435	10,000.00	10,384	10,328		(33)		(33)		10,295		140	140	238	10/01/2006	1
166760AB4	CHEVRON TEXACO CAP CO		04/14/2004	SCOTT & STRINGFELLOW																	
	INVEST				X X X	24,938	25,000.00	24,979	24,979						24,979		(41)	(41)		02/15/2008	1
125577AN6	CIT GROUP INC		04/14/2004	JEFFERIES & CO	X X X	20,588	20,000.00	20,391	20,356		(47)		(47)		20,309		279	279		02/21/2006	1
125581AD0	CIT GROUP INC		04/14/2004	SCOTT & STRINGFELLOW																	
	INVEST				X X X	26,605	25,000.00	26,153	10,061		16,092		16,092		26,153		452	452		11/30/2007	1
172967AZ4	CITIGROUP INC		04/14/2004	CITIGROUP INC	X X X	40,355	35,000.00	40,255	22,486		17,443		17,443		39,929		426	426	1,269	10/01/2010	1
205363AF1	COMPUTER SCIENCES CORP		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	14,805	15,000.00	14,812	14,812						14,812		(7)	(7)		02/15/2013	1
202795HF0	COMWLTH EDISON		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	14,997	15,000.00	14,983	14,983						14,983		14	14		02/01/2008	1
20825UA22	CONOCO FDG CO		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	26,593	25,000.00	26,617	26,384		(136)		(136)		26,248		345	345	681	10/15/2006	1
208251AE8	CONOCO INC NOTE		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	27,630	25,000.00	27,755	27,735		(13)		(13)		27,722		(92)	(92)	869	04/15/2029	1
22237LND0	COUNTRYWIDE HOME LNS		04/14/2004	SCOTT & STRINGFELLOW																	
	INVEST				X X X	20,428	20,000.00	20,084	14,934		5,150		5,150		20,084		344	344		12/19/2007	1
22237LPA4	COUNTYWIDE HOME LNS		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	14,280	15,000.00	14,938	14,938		14,938		14,938		14,938		(658)	(658)		03/22/2011	1
22541LAH6	CRE SUISSE 1ST BOSTON		04/14/2004	MESIROW FINANCIAL INC	X X X	10,188	10,000.00	9,963	9,963						9,963		225	225		08/15/2013	1
244217BH7	DEERE JOHN CAP CORP		04/14/2004	DLJ FIXED INCOME	X X X	10,400	10,000.00	10,313	10,278		(21)		(21)		10,257		143	143		08/22/2007	1
341081EN3	FL PTW & LT CO		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	14,901	15,000.00	15,000	15,000						15,000		(99)	(99)		02/01/2013	1
341081ER4	FL PWR & LT CO		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	15,002	15,000.00	14,841	14,841						14,841		160	160	412	10/01/2033	1
349631AK7	FORTUNE BRANDS INC		04/14/2004	SCOTT & STRINGFELLOW																	
	INVST				X X X	19,788	20,000.00	19,940	19,940						19,940		(152)	(152)		12/01/2013	1
369550AL2	GEN DYNAMICS		04/14/2004	JEFFERIES & CO	X X X	15,060	15,000.00	14,948	14,948						14,948		112	112		08/15/2010	1
36962GXZ2	GEN ELEC CAP CORP		04/14/2004	STEPHENS INC	X X X	38,194	35,000.00	38,441	38,436		(12)		(12)		38,424		(231)	(231)		03/15/2032	1
36962GY44	GEN ELEC CAP CORP		04/14/2004	DLJ FIXED INCOME	X X X	10,740	10,000.00	10,896	10,896		10,896		10,896		10,896		(156)	(156)		06/15/2012	1
369604AY9	GEN ELEC CAP CO		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	25,075	25,000.00	25,376	9,963		15,413		15,413		25,376		(301)	(301)		02/01/2013	1
38141GDK7	GOLDMAN SACHS GROUP		04/14/2004	STEPHENS INC	X X X	38,745	40,000.00	39,950	39,950						39,950		(1,205)	(1,205)		07/15/2013	1
38141GCU6	GOLDMAN SACHS GROUP		04/14/2004	JEFFERIES & CO	X X X	14,704	15,000.00	14,801	14,801						14,801		(97)	(97)		02/15/2033	1
441812JY1	HSEHD FIN CORP		04/14/2004	JEFFERIES & CO	X X X	11,317	10,000.00	10,657	10,629		(17)		(17)		10,612		705	705		05/15/2012	1
441812GD0	HSEHD FIN CORP		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	22,050	20,000.00	21,040	15,500		5,540		5,540		21,040		1,010	1,010		11/15/2008	1
46625HAJ9	J P MORGAN CHASE & CO		04/14/2004	DLJ FIXED INCOME	X X X	28,094	25,000.00	27,249	27,128		(73)		(73)		27,055		1,039	1,039		02/01/2011	1
49337WAA8	KEYSPAN CORP		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	26,875	25,000.00	27,657	27,111		(317)		(317)		26,794		81	81		11/15/2005	1
500255AN4	KOHL'S CORP		04/14/2004	SCOTT & STRINGFELLOW																	
	INVEST				X X X	4,873	5,000.00	4,957	4,957						4,957		(84)	(84)		01/15/2033	1
52517PSC6	LEHMAN BROTHERS		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	11,140	10,000.00	10,867	10,827		(24)		(24)		10,803		337	337		01/18/2012	1
59018YRZ6	MERRILL LYNCH & CO		04/14/2004	JEFFERIES & CO	X X X	29,924	30,000.00	29,915	29,915						29,915		9	9		09/30/2015	1
59156RAE8	METLIFE INC		04/14/2004	JEFFERIES & CO	X X X	26,368	25,000.00	25,032	25,032						25,032		1,336	1,336		12/15/2032	1
59156RAG3	METLIFE INC		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	24,750	25,000.00	24,760	24,760						24,760		(10)	(10)		11/24/2013	1
617446HD4	MORGAN STANLEY		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	17,265	15,000.00	17,032	11,163		5,869		5,869		17,032		233	233	363	04/01/2032	1
637432CU7	NATL RURAL UTIL		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	5,758	5,000.00	5,714	5,681		(19)		(19)		5,662		96	96		03/01/2012	1
644239AY1	NEW ENG TEL & TEL		04/14/2004	SCOTT & STRINGFELLOW																	
	INVEST				X X X	29,094	25,000.00	29,736	29,706		(21)		(21)		29,685		(592)	(592)		11/15/2029	1
713409AC4	PEPSI BOTTLING GROUP		04/14/2004	SPEAR LEEDS AND KELLOGG	X X X	28,188	25,000.00	28,612	28,589		(18)		(18)		28,571		(383)	(383)		03/01/2029	1

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of
by the Company During the Current Quarter

E05.2

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
74005PAL8 742718CB3	PRAXAIR INC PROCTER & GAMBLE		04/14/2004 04/14/2004	SPEAR LEEDS AND KELLOGG SCOTT & STRINGFELLOW	X X X	9,265	10,000.00	9,966	9,966						9,966		(701)	(701)		06/01/2013	1
64952GAE8 78387GAF0 78442FAZ1	PVTP/L NY LIFE INS SBC COMMUNICATIONS INC SLM CORP MED TERM NOTE		04/14/2004 04/14/2004 04/14/2004	JEFFERIES & CO SPEAR LEEDS AND KELLOGG SPEAR LEEDS AND KELLOGG	X X X X X X X X X	14,230 9,708 37,170	15,000.00 10,000.00 35,000.00	14,937 9,939 37,960			14,937 9,939 (293)		14,937 9,939 (293)		14,937 9,939 37,162		(707) (231) 8	(707) (231) 8		02/01/2034 05/15/2033 05/02/2006	1 1 1
90331HHW6 90333WAB4 91324PAF9	U S BK NATL ASSN U S BK NATL ASSN UNITEDHEALTH GROUP		04/14/2004 04/14/2004 04/14/2004	JEFFERIES & CO JEFFERIES & CO SCOTT & STRINGFELLOW	X X X X X X X X X	15,015 21,820	15,000.00 20,000.00	14,999 22,400	14,999 22,313						14,999 22,261		16 (441)	16 (441)		11/15/2006 02/04/2014	1 1
92344GAT3 92344SAE0 925524AH3	VERIZON GLOBAL FDG VERIZON WIRELESS VIACOM INC NT		04/14/2004 04/14/2004 04/14/2004	SPEAR LEEDS AND KELLOGG SPEAR LEEDS & KELLOGG SPEAR LEEDS AND KELLOGG	X X X X X X X X X	14,819 23,000 10,600	15,000.00 20,000.00 10,000.00	14,971 22,657 10,000	14,971 22,551 10,000						14,971 22,484 10,000		(153) 516	(153) 516		01/30/2008 09/01/2012	1 1
92857TAH0 938333AC4 929771AL7	VODOFONE WA MUT FIN CORP WACHOVIA CORP		04/14/2004 04/14/2004 04/14/2004	SPEAR LEEDS AND KELLOGG DLJ FIXED INCOME JEFFERIES & CO	X X X X X X X X X	24,574 6,050 32,179	20,000.00 5,000.00 30,000.00	24,483 6,066	24,452 6,061						24,432 6,061		142 (11)	142 (11)		07/30/2030 02/15/2030	1 1
931142BE2 949746FQ9 976656BW7	WALMART WELLS FARGO & CO WI WLEC PWR CO		04/14/2004 04/14/2004 04/14/2004	JEFFERIES & CO JEFFERIES & CO SPEAR LEEDS AND KELLOGG	X X X X X X X X X	22,665 14,496 14,186	20,000.00 15,000.00	23,235 14,976	23,000 14,957						22,860 14,976		(195) (481)	(195) (481)		08/10/2009 04/01/2009	1 1
319963AG9 36228CPS6 52108HSY1	FIRST DATA CORP CMO GS MTG SECS CORP CMO LB - UBS COM/L MTG		04/14/2004 04/15/2004 04/15/2004	SPEAR LEEDS AND KELLOGG BANC AMERICA SECURITIES BANC AMERICA SECURITIES	X X X X X X X X X	9,904 19,981 39,991	10,000.00 20,000.00 40,000.00	9,969 19,772 40,198	9,969 19,774 40,197						9,969 19,774 40,197		(65) 207 (206)	(65) 207 (206)		08/01/2008 01/10/2040 07/15/2027	1 1 1
52108HDF8 17305EBV6	CMO LB-UBS COM/L MTG CITIBANK CR CARD		04/16/2004	LEHMAN BROTHERS	X X X	39,298	35,000.00	38,298	38,319		(21)		(21)		38,298		1,000	1,000		194 11/15/2027	1
23383VCE8	ISSUANCE DAIMLER CHRYSLER AUTO		04/01/2004	CHASE SECURITIES	X X X	30,571	30,000.00	29,970	29,970						29,970		601	601		08/16/2010	1
43812HAC4 98152DBD2	TR HONDA AUTO RECEIVABLES WORLD OMNI AUTO		04/01/2004 04/01/2004	CHASE SECURITIES MORGAN STANLEY & CO	X X X X X X	35,509 15,105	35,000.00 15,000.00	34,990 14,998	34,990 14,998						34,990 14,998		519 107	519 107		03/09/2009 05/15/2007	1 1
05947URB6 46625MV63 61745MUZ4	RECEIVABLES CMO BANC AMER COM/L MTG CMO J P MORGAN CHASE CMO MORGAN STANLEY CAP		04/01/2004 04/15/2004 04/15/2004 04/15/2004	GOLDMAN SACHS BANC AMERICA SECURITIES CHASE SECURITIES MORGAN STANLEY & CO	X X X X X X X X X X X X	25,297 19,559 24,516 24,529	25,000.00 20,000.00 25,000.00 25,000.00	24,993 20,101 25,122 25,130	24,993 20,101 25,122 25,130						24,993 20,101 25,122 25,130		304 (541) (606) (601)	304 (541) (606) (601)		11/15/2010 11/10/2038 01/15/2038 09/13/2045	1 1 1 1
4599999 Subtotal - Bonds - Industrial and Miscellaneous					X X X	1,641,511	1,570,000.00	1,647,087	1,426,779		214,717		214,717		1,641,496		11	11	6,147	X X X	X X X
6099997 Subtotal - Bonds - Part 4					X X X	6,243,076	6,105,398.00	6,291,992	2,143,448	(5,522)	4,150,475		4,144,953		6,288,401		(45,321)	(45,321)	8,769	X X X	X X X
6099998 Summary Item for Bonds Bought and Sold This Quarter					X X X															X X X	X X X
6099999 Subtotal - Bonds					X X X	6,243,076	6,105,398.00	6,291,992	2,143,448	(5,522)	4,150,475		4,144,953		6,288,401		(45,321)	(45,321)	8,769	X X X	X X X
6599998 Summary Item for Preferred Stock Bought and Sold This Quarter					X X X		X X X													X X X	X X X
7299998 Summary Item for Common Stock Bought and Sold This Quarter					X X X		X X X													X X X	X X X
7399999 Subtotal - Preferred and Common Stock					X X X		X X X													X X X	X X X
7499999 Total - Bonds, Preferred and Common Stock					X X X	6,243,076	X X X	6,291,992	2,143,448	(5,522)	4,150,475		4,144,953		6,288,401		(45,321)	(45,321)	8,769	X X X	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

E06 Schedule DB Part A Section 1 - NONE

E06 Schedule DB Part B Section 1 - NONE

E07 Schedule DB Part C Section 1 - NONE

E07 Schedule DB Part D Section 1 - NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
							6	7	8	
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
open depositories										
Comerica Bank	P.O. Box 75000, Detroit MI 48275 .....						.. 8,188,657	.. 1,235,000	.. 9,159,509	. X X X .
Mellon Bank	500 Ross Street, Pittsburgh, PA 15262 .....						.. 1,492,340	.. 1,603,721	.... 586,434	. X X X .
The Northern Trust Company .	50 South LaSalle Street, Chicago IL 60675 .....			..... 1.000	... 85,875	..... 38,543	43,153,223	40,214,591	50,670,170	. X X X .
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories ..			. X X X .	... X X X ..						. X X X .
0199999 Totals - Open Depositories .....			. X X X .	... X X X ..	... 85,875	..... 38,543	52,834,220	43,053,312	60,416,113	. X X X .
0299998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....			. X X X .	... X X X ..						. X X X .
0299999 Totals - Suspended Depositories .....			. X X X .	... X X X ..						. X X X .
0399999 Total Cash On Deposit .....			. X X X .	... X X X ..	... 85,875	..... 38,543	52,834,220	43,053,312	60,416,113	. X X X .
0499999 Cash in Company's Office .....			. X X X .	... X X X ..	. X X X .	... X X X ..				. X X X .
0599999 Total Cash .....			. X X X .	... X X X ..	... 85,875	..... 38,543	52,834,220	43,053,312	60,416,113	. X X X .

INDEX TO HEALTH QUARTERLY STATEMENT

Accident and Health Insurance; 18
Accounting Changes and Corrections of Errors; Q11; 25, Note 2
Accounting Practices and Policies; Q5; 25, Note 1
Admitted Assets; Q2; 2; 29; Supp10; 26
Affiliated Transactions; 52; E14
Bonds; Q2; Q6; Q11.1; QE04; QE05; 2; 6; 15; 16; 26; 27.2; 27.4; 29; 32; 33; 34; 35; 36; 37; 38; E08; E11; E12; E13; Supp7
Bonuses; Q3; Q4; Q8; Q9; 3; 4; 7; 9; 11; 20; 23; 28.1; 49
Borrowed Funds; Q3; Q6; 3; 6
Business Combinations and Goodwill; 25, Note 3
Capital Gains (Losses)
Realized; Q4; 4; 7; 29; 40; E12; E13; E21
Unrealized; Q4; Q5; 4; 5
Capital Stock; Q2; 2; 25, Note 13
Capital Notes; Q6; 6; 25, Note 11
Cash; Q2; Q6; QE08; 2; 6; 15; 16; 26; 49; E23
Cash Equivalents; Q2; Q6; 2; 6; 15; 16; 26; E24
Claims; Q3; Q8; 3; 9; 11; 12; 20; 29; 48; 49; Supp1; Supp27; Supp48; Supp55; Supp57; Supp58; Supp59; Supp60; Supp61; Supp62
Coinsurance; 44; Supp17
Collars; QE07
Commissions; Q6; 6; 48; Supp25; Supp55
Common Stock; Q2; Q3; Q6; Q11.1; 2; 3; 6; 15; 16; 26; 27; 28; 29; 32; E10; E11; E12; E13; Supp7
Cost Containment Expenses; Q4; 4; 7; 19; Supp59
Contingencies; 25, Note 14
Counterparty Exposure; 25, Note 8
Debt; 25, Note 11
Deferred Compensation; 25, Note 2
Derivative Instruments; Q15; 25, Note 8; 42
Deposit-Type Contracts; Supp16
Discontinued Operations; 25, Note 4
Electronic Data Equipment; Q2; 2; 16
Encumbrances; Q2; QE01; 2; E02; E03; E06; E07
Emergency Room; Q4; 4; 7
Enrollment and Utilization; 17
Expenses; Q3; Q4; Q6; 3; 4; 6; 7; 12; 14; 15; 27.4; 29; Supp49; Supp55; Supp56; Supp59; Supp60; Supp61; Supp62
Experience Rating Refunds; 13; Supp20
Extinguishment of Liabilities; 25, Note 17
Extraordinary Item; 25, Note 21
Fee for Service; Q4; 4; 7; 23
Foreign Exchange; Q2; Q5; Q12; QE01; QE02; 2; 5; 16; 31; 32; 39; E01; E02; E03; E05; E06; E07; E09; E12; E13; E15
Forwards; QE07; 41; E19; E20
Furniture, Equipment and Supplies; Q2; 2; 16; 24
Futures Contracts; 41
Guaranty Fund; Q2; Q18; 2; 16; 50
Health Care Receivables; Q2; 2; 16; 19; 25, Note 28
Health Statement Test; 28
Hospital/Medical Benefits; Q4; 4; 7; 48
Incentive Pools; Q3; Q4; Q9; 3; 4; 7; 9; 11; 20; 23; 28.1; 49
Income; Q4; Q5; 4; 5; 29
Income Taxes; Q2; Q3; Q4; Q5; 2; 3; 4; 5; 15; 16; 25, Note 9; Supp57
Incurred Claims and Claim Adjustment Expenses; Supp49; Supp50; Supp51; Supp52; Supp53; Supp54; 25, Note 25
Intercompany Pooling; Supp27; Supp28; Supp29; Supp30; Supp31; Supp32; Supp33; Supp34; Supp35; Supp36; Supp37; Supp38; Supp39; Supp40; Supp41; Supp42; Supp43; Supp44; Supp45; Supp46; SUp47; Supp48; 25, Note26
Investment Income; 25, Note 7
Accrued; Q2; 2; 16
Earned; Q2; Q14; 4; 15; 39; E24
Received; Q6; 6; 39
Investments; Q11.1; 15; 27.3; Supp7; Supp12; Supp57; 25, Note 5
Joint Ventures; 25, Note 6
Leases; 25, Note 15
Limited Liability Company (LLC); 25, Note 6
Limited Partnership; 25, Note 6
Long-Term Care Insurance; 8; 53; Supp3; Supp4; Supp5; Supp6
Long-Term Invested Assets; QE03; 31; E06
Loss Development; 12
Managing General Agents; 25, Note 19
Maximum Retained Risk; 28
Member Months; Q4; Q7; 4; 17; 29; 30
Minimum Net Worth; 28.1
Mortgage Loans; Q2; Q6; Q11.1; QE02; 2; 6; 15; 16; 26; 29; E04; E05; Supp11
Non Admitted Assets; Q2; Q5; Q12; 2; 5; 16; 32; 39
Off-Balance Sheet Risk; 25, Note 16
Options; QE06; 27.2; 40; E16; E17; E18
Organizational Chart; Q11; Q19; 51

**INDEX TO HEALTH
QUARTERLY STATEMENT**

Out-of-Area; Q4; 4; 7

Outside Referrals; Q4; 4; 7

Parents, Subsidiaries and Affiliates; Q2; Q3; Q11.1; 2; 3; 16; 21; 25, Note 10; 22; 32

Participating Policies; 25, Note 29; Supp15

Pharmaceutical Rebates; 25, Note 28

Policyholder Dividends; Q6; 6; Supp55

Postemployment Benefits; 25, Note 12

Postretirement Benefits; 25, Note 12

Preferred Stock; Q2; Q3; Q6; Q11.1; 2; 3; 6; 15; 16; 26; 27.2; 27.4; 29; 32; E09; E11; E12; E13; Supp7

Premium Deficiency Reserves; 25, Note 30

Premiums and Considerations

 Advance; Q3; 3; 49

 Collected; Q6; 6

 Deferred; Q2; 2

 Direct; Q7; Q18; 28; 30; 49; 50; Supp20

 Earned; Q7; 7; 12; 28; 29; 30; Supp1; Supp27; Supp55; Supp57

 Retrospective; Q2; 12

 Uncollected; Q2; 2; 16

 Unearned; Q4; 4; Q7; 7; 13

 Written; Q4; Q7; 4; 18; 30; 49; 50; Supp20; Supp55; Supp59; Supp60; Supp61; Supp62

Prescription Drugs; Q4; 4; 7

Product Type; 17

Provider Transactions; 23

Quasi Reorganizations; 25, Note 13

Real Estate; Q2; QE01; 2; 15; 16; 26; 29; E01; E02; E03

Redetermination, Contracts Subject to; 25, Note 24

Reinsurance; 25, Note 23

 Assumed; 8; 9; 10; 44; Supp17; Supp25; Supp26; Supp27; Supp28; Supp29; Supp30; Supp31; Supp32; Supp33; Supp34; Supp35; Supp36; Supp37; Supp38; Supp39; Supp40; Supp41; Supp42; Supp43; Supp44; Supp45; Supp46; Supp47; Supp48

 Ceded; Q3; Q17; 3; 8; 9; 10; 44; Supp14; Supp26; Supp27; Supp28; Supp29; Supp30; Supp31; Supp32; Supp 33; Supp34; Supp35; Supp36; Supp37; Supp38; Supp39; Supp40; Supp41; Supp42; Supp43; Supp44; Supp45; Supp46; Supp47; Supp48

 Claims; 9; 10; 44; 45; 48

 Funds Held; Q2; 2; 16; Supp25

 Payable; Q3; 3; 45

 Premiums; Q3; 3; 8

 Receivable; Q2; Q4; 2; 7; 9; 16; 48; 49

 Unauthorized; Q3; Q5; 3; 47; 48; 49

Reserves

 Accident and Health; Q3; Q4; 3; 4; 7

 Annuity; Supp19

 Claims; Q3; Q5; Q8; 3; 5; 9

 Life; Q3; 3; 7; Supp14

Retirement Plans; 25, Note 12; Supp22

Retrospectively Rated Policies; 25, Note 24

Risk-Based Capital; 53

 Adjusted Capital; 29

 Authorized Control Level; 29

Risk Revenue; Q4; 4; 7

Salvage and Subrogation; 25, Note 31; Supp27; Supp28; Supp29; Supp30; Supp31; Supp 32; Supp33; Supp34; Supp35; Supp36; Supp37; Supp38; Supp39; Supp40; Supp41; Supp42; Supp43; Supp44; Supp45; Supp46; Supp47; Supp48

September 11 Events; 25, Note 20

Servicing of Financial Assets; 25, Note 17

Short-Term Investments; Q2; Q6; Q11.1; Q14; 2; 6; 15; 26; 29; 39; E15

Special Deposits; E25

Stockholder Dividends; Q5; 5

Stop Loss; 8

Subsequent Events; 25, Note 22

Surplus; Q3; Q5; 3; 5; 25, Note 13; 29

Surplus Notes; Q3; Q5; Q6; 3; 5; 6

Swaps; QE07; E19; E20

Synthetic Assets; Q15; Q16; 42; 43

Third Party Administrator; 25, Note 19

Treasury Stock; Q3; Q5; 3; 5; 6

Uninsured Accident and Health; Q2; Q3; 2; 3; 16; 25, Note 18

Wash Sales; 25, Note 17

Withholds; Q4; Q8; 4; 7; 10; 20; 23; 28.1